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SEP 29 2014

FCC Mail Room

1054

The Honorable Tom Wheeler
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20536

Dear Chairman Wheeler:

My purpose in writing is to applaud your efforts and those of the other commissioners in Phase II of the Connect America Fund (CAF II) proceeding to further accelerate the deployment of broadband facilities to consumers who lack access to robust broadband.

Broadband Internet access has become an essential part of the economic and social fabric across America. It has been a tool to build businesses, apply for jobs, enhance educational opportunities and connect to friends and relatives. With robust broadband service, individuals with talent and determination can compete globally. Without it, that individual is left behind in today's technology-centric economy.

Phase II of Connect America Fund offers an opportunity to bring speedier fiber-fed broadband connections to millions of Americans who would not otherwise receive these benefits. Thanks to the Commission's efforts thousands of communities are now counting on the Connect America Fund. The Commission's June 10, 2014 Further Notice of Proposed Rulemaking (FNPRM) identifies a number of ideas of deploying broadband across the country without exceeding the CAF II annual budget.

One such idea is to double the download speeds offered in the 2011 USF/ICC Transformation Order from 4Mbps to 10Mbps. While I think that this is a good idea, I am concerned that if the Commission more than doubles the speed requirements without allowing the appropriate level of flexibility in other elements of CAF II, the program's mission could be endangered. To address this concern, the Commission may want to consider expanding the build-out to 10 years to allow adequate time for the construction of the higher-capacity network. The same 10 Mbps standard should apply when identifying broadband availability from all competitors, or else communities with just 4 Mbps will be left behind. In addition, it is my hope that the Commission closely examines its network build-out parameters so that they are consistent with the goal of providing quality broadband service to as many people as possible within CAF's limited funding framework.

The Commission has worked hard to help America overcome the digital divide, but I still have constituents seeking assistance to bring broadband service to their homes. The concerns they raise are a reminder of the challenge of building a robust and ubiquitous broadband network.

Thank you in advance for considering my concerns regarding this important issue. I look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read "DMP-Jr.", with a stylized flourish at the end.

Donald M. Payne, Jr.
Member of Congress



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

October 20, 2014

The Honorable Donald Payne
U.S. House of Representatives
103 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Payne:

Thank you for your letter regarding the implementation of certain aspects of Phase II of the Connect America Fund (Connect America Phase II). In your letter, you express concerns that the overall mission of the CAF II program could be endangered if the Commission increases the current broadband speed benchmark for program recipients to 10 Mbps downstream /1 Mbps upstream without allowing flexibility in other elements of program, particularly with respect to the length of the term of support. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America have the same opportunities as their urban and suburban counterparts to be active participants in the United States of the 21st century. We are focused on updating the universal service high-cost program to ensure that we are delivering the best possible voice and broadband experiences to rural areas of states within the confines of our Connect America budget, while providing increased certainty and predictability for all carriers and a climate for increased broadband expansion.

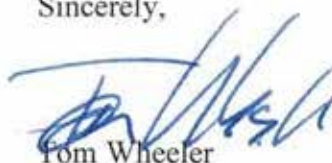
In April, the Commission adopted a *Connect America Fund Phase II Report and Order* to move forward with Connect America for price-cap carriers. In addition, in an associated *Further Notice of Proposed Rulemaking (FNPRM)*, the Commission sought comment on a number of the issues you raise, including revising the current broadband performance obligations to require minimum speeds of 10 Mbps downstream and applying the same performance obligations to all recipients of Phase II support and to rate-of-return carriers. As you noted, the *FNPRM* also seeks comment on a proposal to allow Connect America Phase II recipients more flexibility in meeting their performance obligations, including whether we should extend the term of support to longer than five years. Many price cap carriers have argued that building networks capable of providing 10 Mbps will take more time and more funding than meeting the current 4/1 Mbps speed requirement because it will require extending fiber farther into the network and deploying additional equipment. Other commenters argue that extending the Phase II term of support beyond five years will delay a competitive bidding process for the areas served by price cap carriers. The Commission's staff is reviewing the record and giving all the arguments due consideration before we move forward with any decisions.

Page 2—The Honorable Donald Payne

I welcome a dialogue with stakeholders as to how best to accomplish our shared objectives. I look forward to working with you as we continue reforming and modernizing the universal service fund high-cost program – as well as other components of the Universal Service Fund – to ensure that all Americans have access to robust voice and broadband services.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Wheeler", is written over a horizontal line.

Tom Wheeler